

Chapter 27: Environmental and Social Assessment

MCC recognizes that the pursuit of sustainable economic growth and a healthy environment are necessarily related. MCC also recognizes that gender inequality can be a significant constraint to economic growth and poverty reduction and that development projects can have unintended negative impacts on people when not well designed. MCC has two specific policy documents that address these issues more fully: the Environmental Guidelines and Gender Policy.

The purpose of the Environmental Guidelines is to establish a process for the review of potential environmental and social impacts (such as involuntary resettlement and health and safety risks) to ensure that projects undertaken in a compact are environmentally sound, are designed to operate in compliance with applicable regulatory requirements, and, as required by the legislation establishing MCC, are not likely to cause a significant environmental, health, or safety hazard. MCC also encourages partner countries to follow good international practice in compact development and implementation activities, such as the International Finance Corporation's Performance Standards on Social and Environmental Sustainability.

MCC's Gender Policy and Gender Integration Guidelines provide overall guidance for the integration of gender in all stages of compact development and implementation. Additional gender-specific guidance is also incorporated into other guidance materials including the Guidance on Consultative Process and Guidelines for Monitoring and Evaluation Plans. Countries should review this guidance as they plan their consultative process and review the Environmental Guidelines as they start to identify potential priorities and should integrate relevant organizations and government ministries or agencies in the compact development process.

As indicated in the guidance on Building a Core Team, MCC requires that the Core Team include an Environmental and Social Impact Director (ESID) who understands the country's environmental, resettlement, health and safety regulations and requirements, has experience conducting or reviewing environmental and social impact assessments (ESIAs) and Resettlement Action Plans (RAPs), and is capable of working with the country Core Team to ensure that environmental and social considerations are appropriately factored into the feasibility, design, timing and cost estimates of the compact proposal. MCC also requires that the core team include a social scientist with gender expertise who will work with the ESID.

MCC's Environment and Social Assessment (ESA) and Social and Gender Assessment (SGA) staff work together to promote sound environmental and social performance of compact activities. Both ESA and SGA staff also engage a number of additional and technical experts and consultants to assist with review of project concepts, feasibility studies, and designs, for their environmental and social impacts and support efforts to proactively integrate environmental sustainability and gender equality. While the completion of the requisite environmental and social analyses (e.g. environmental and social impact assessments, resettlement action plans, health and safety plans, gender assessments and integration plans, and resettlement action plans) is the responsibility of the eligible country, MCC's ESA and SGA experts will advise and consult on these requirements and work closely with the country Core Team to manage environmental and social risks and impacts and to enhance project opportunities and outcomes.

